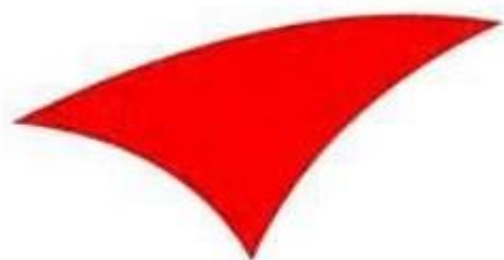




**spirit
mountain**
Duluth, Minnesota





SpiritMountain







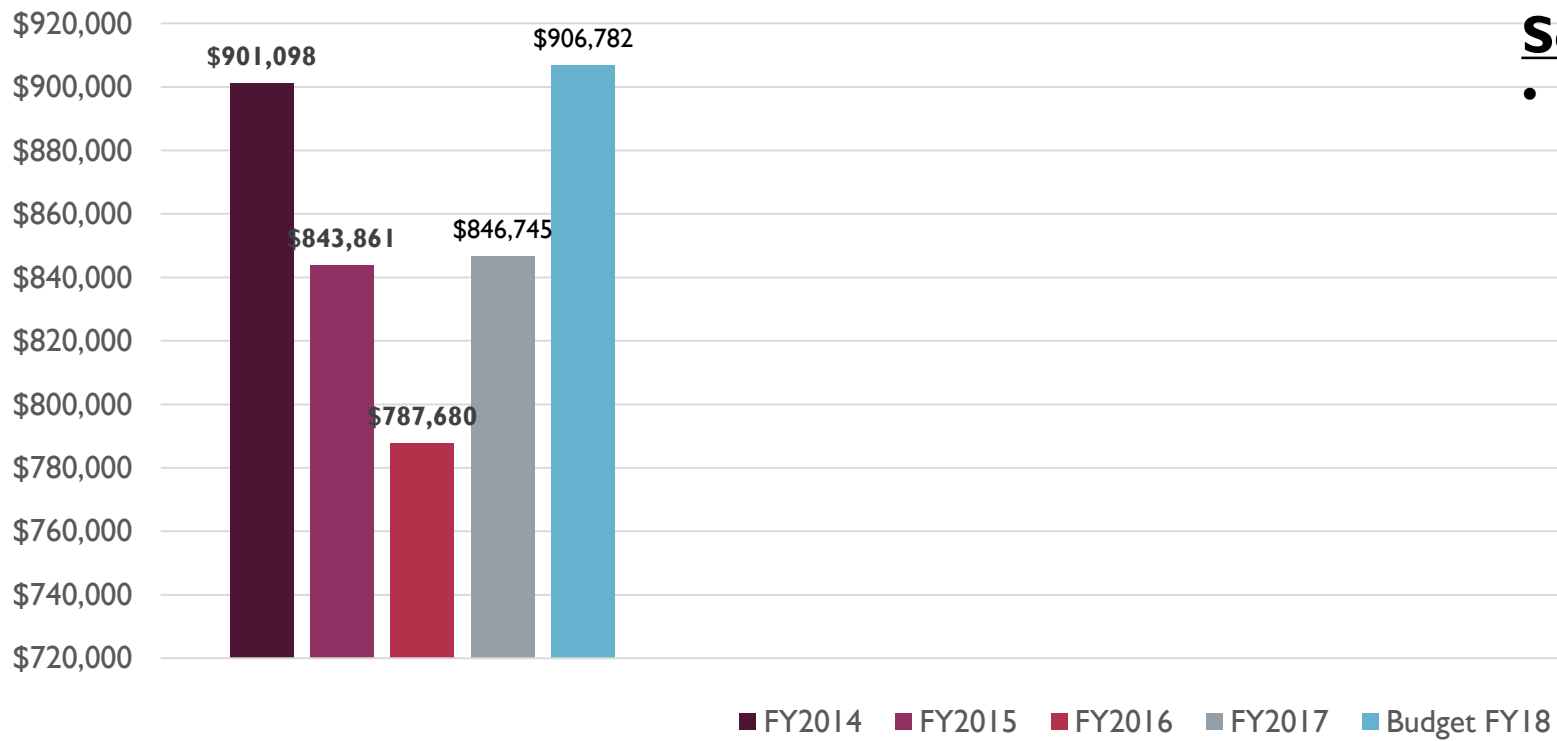




HIGHLIGHTS OF THE YEAR

- Over 1,000 visitors used the Scenic Chairlift Ride
- Taught over 5000 to learn to Ski or Snowboard
- Over 50,000 individual lift tickets sold for 2016/2017 winter season
- Over 18,000 orders of French Fries!
- Summer/Fall Season Operating 132 Days
- Winter Season Operating 96 Days
- Provided employment to over 300 people
- Guests from Minnesota, Wisconsin, Iowa, Nebraska, Missouri, Michigan, Illinois, North Dakota, South Dakota, Indiana, Texas and Canada

SEASON PASS REVENUE



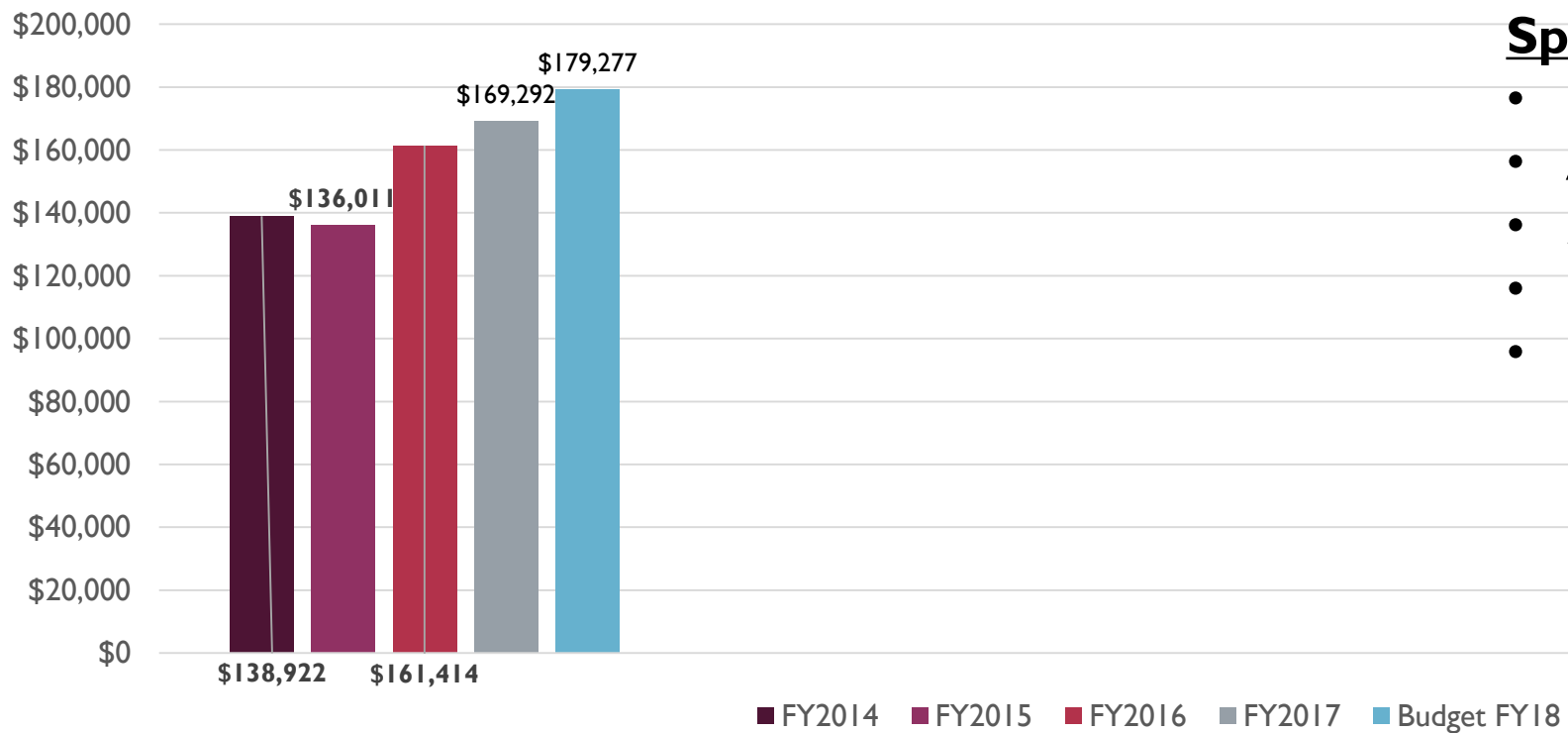
Season Passes

- Seeing an uptick in pass sales for the first time in many years!

SEASON PASS SALES – PRESEASON LOOK AHEAD

- Spring Season Pass sales for next winter = increase of 5% over last year. Season Pass Units up 5% over preseason sales last year – Encouraging Trend!
- Established a NEW! Pricing & Age structure for Students ages 7-17. Lowest rates available for specifically keeping the student rate at \$199. Pays for itself in 4 visits!
- Family Payment Plan Option – 6 months to pay for winter season pass

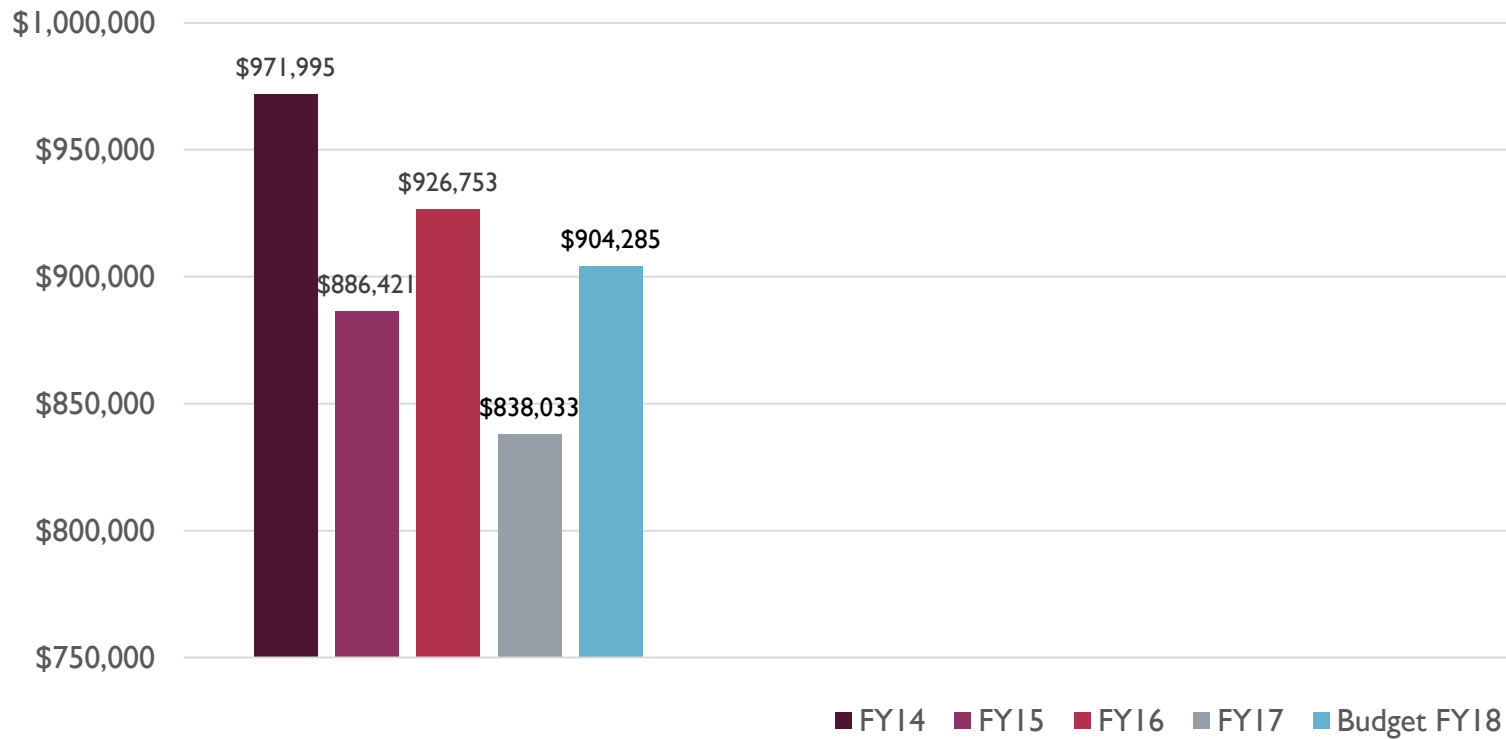
CAMPGROUND



Spirit Mountain Campground

- 73 spots
- Additional tenting spots available
- 2 shower buildings
- Easy on/off I35
- Opportunity of Growth & Expansion

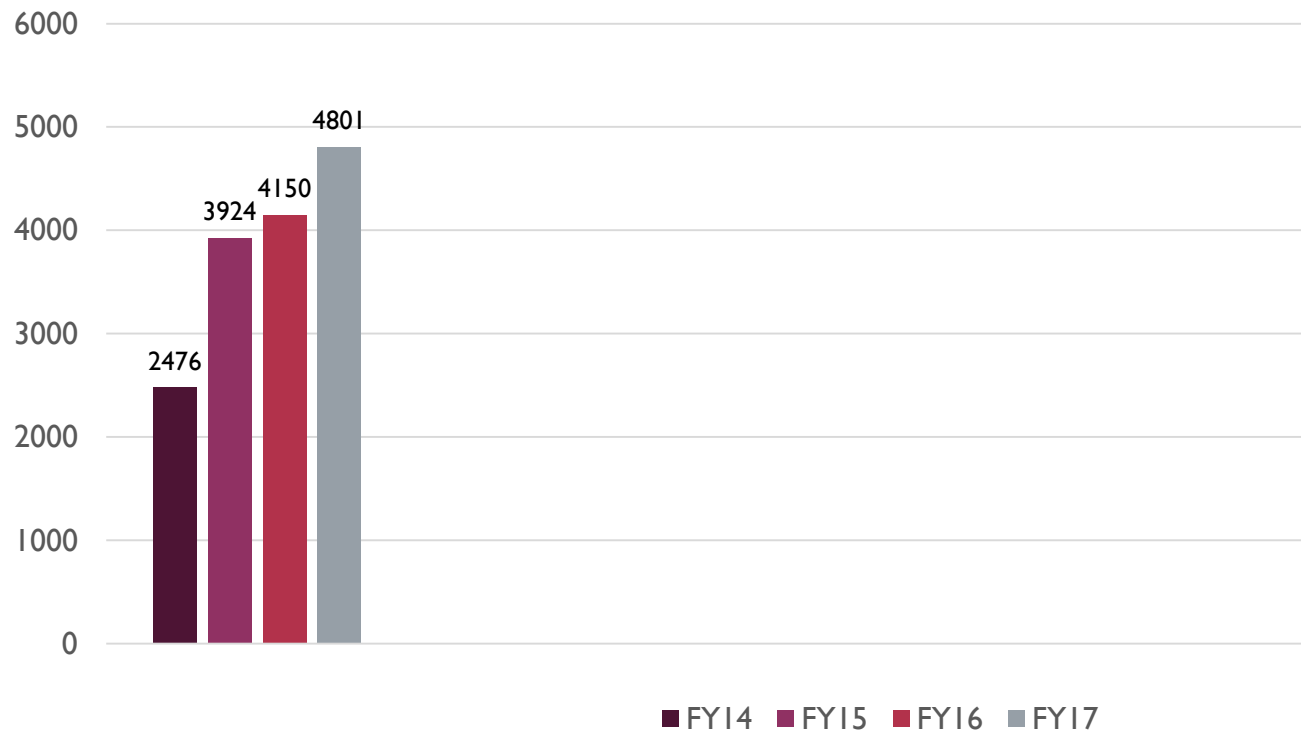
ADVENTURE PARK



Adventure Park

- Tough summer regarding weather. Revenue reflected in challenges.
- Installed new Jumping Pillow.
- Memorial Weekend; 1 day
- June followed this trend
- FY18 new attraction included in our wristbands

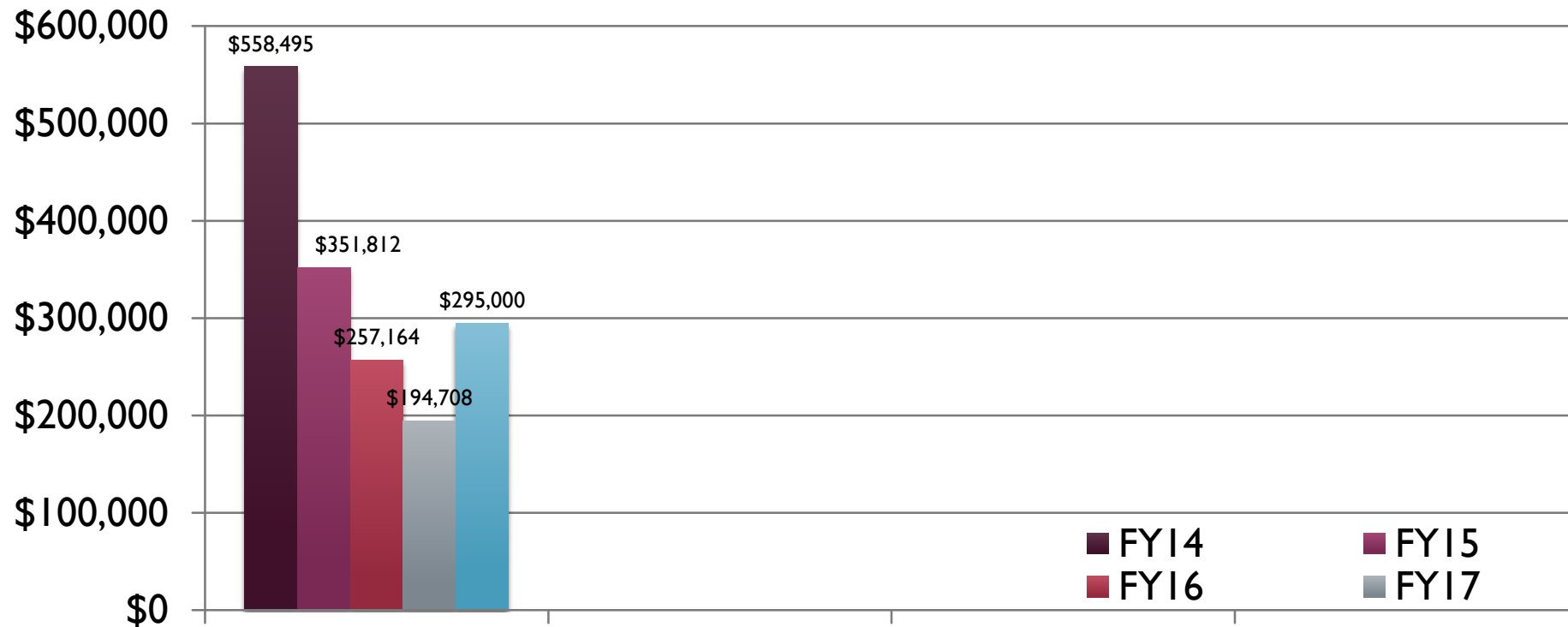
MOUNTAIN BIKING



Lift Served Mountain Biking

- Doubled our two day ticket sales
- Units are up despite fewer days open
- Strong Labor Day Weekend & Fall

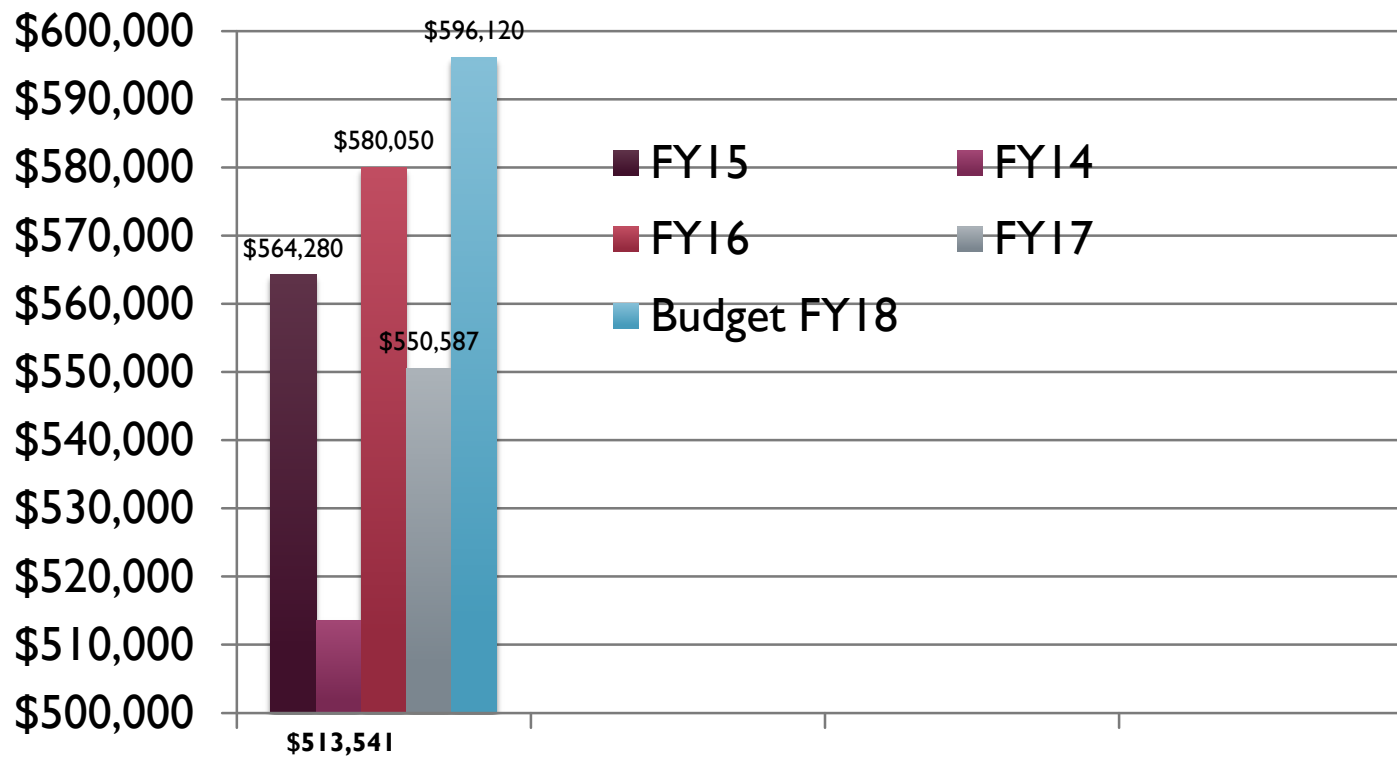
GRAND AVENUE CHALET



Grand Ave Chalet

- Significant dips due to operations
- Opportunities for growth with the Traverse.
- Winter – seeing more and more use for lower Chalet. Parking, direct access, newer amenities and convenient.

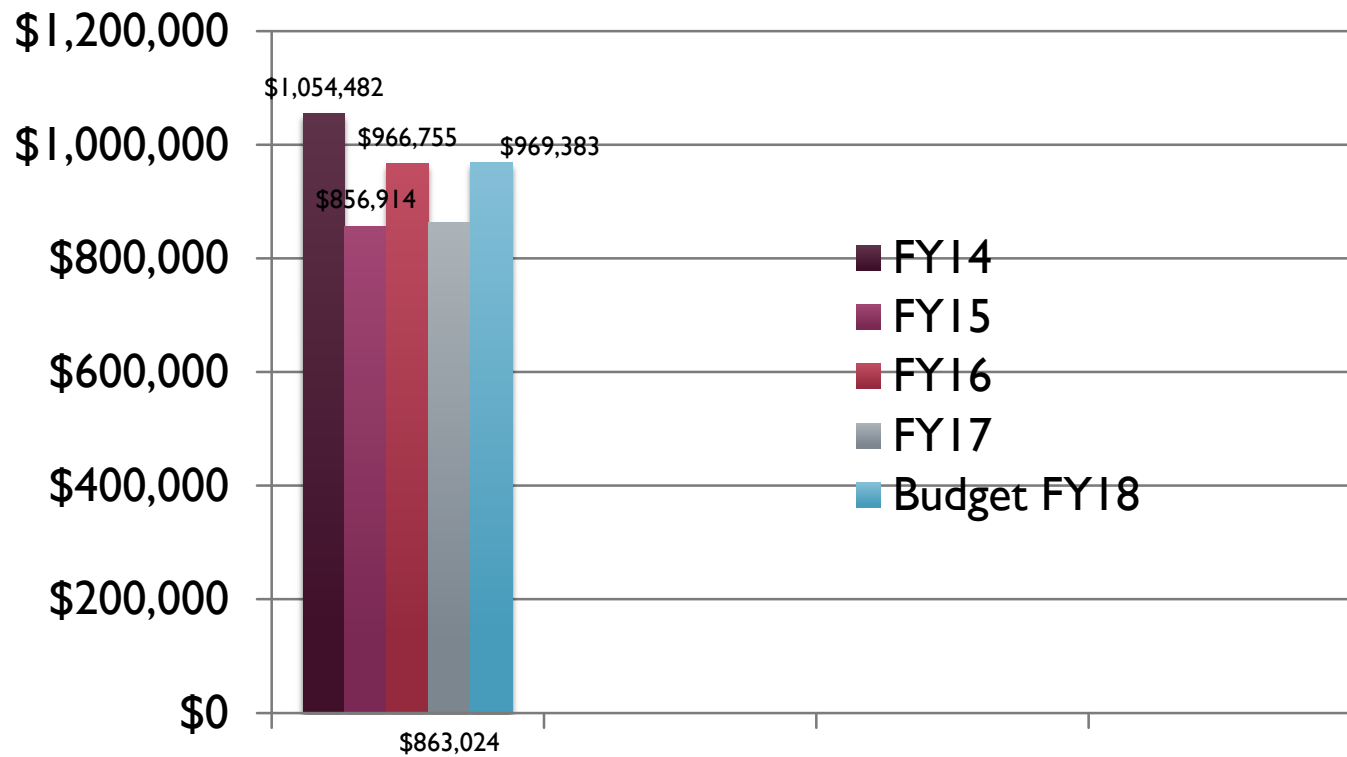
WEDDINGS & BANQUETS



Weddings & Banquets

- Missed revenue due to actual attendees being lower than projected
- Re-worked our contracts, menu and overall pricing structure to reflect minimums, menu price changes within 30 days of event & fees to allocate funds back to Spirit Mountain.
- Currently 95% booked for 2017, filling in non-peak days.

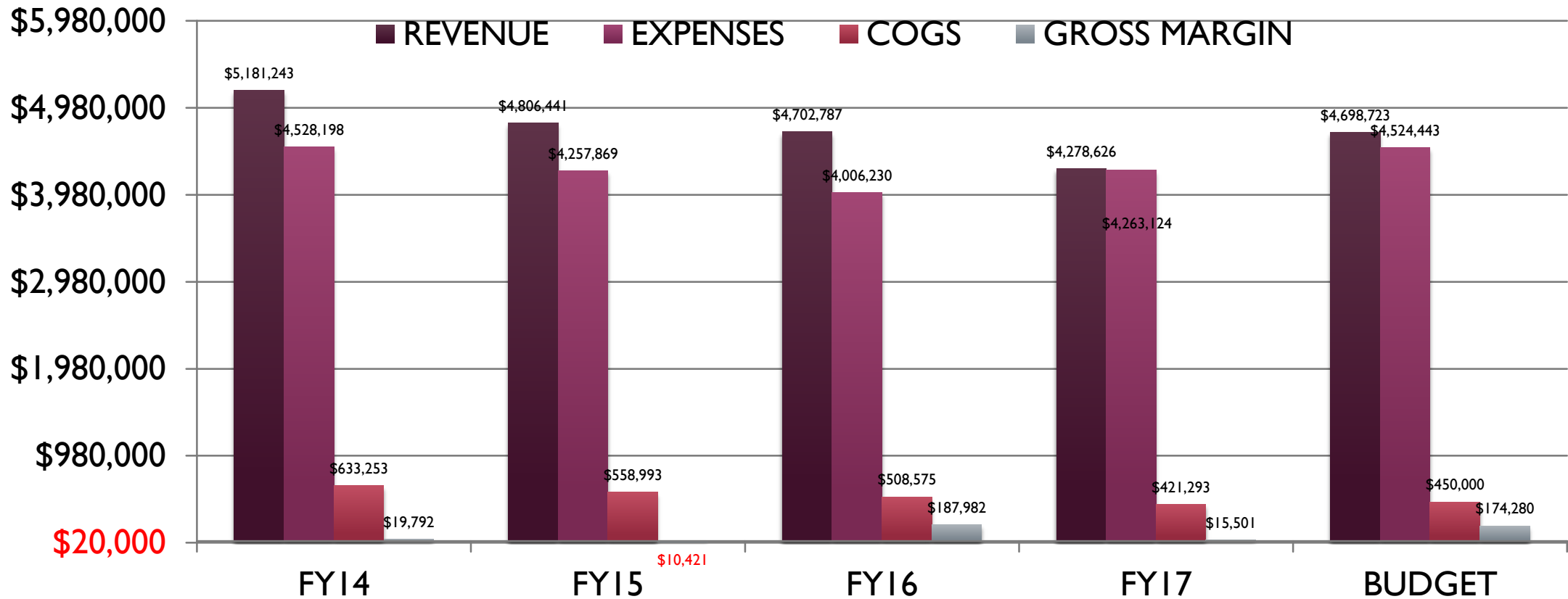
WINTER OPERATIONS



Winter Operations

- Weather challenges carried over into the winter season
- Reflection in the revenue
- Good news, number of lessons taught increased

REVENUE/EXPENSES/GROSS MARGIN



GOALS FOR FY2018

- Expanding operations at Grand Ave Chalet to 5 days a week to provide food & beverage options for Traverse
- Expanding our mountain bike operations to 5 days a week
- Completion of needed Repairs & Maintenance, many deferred.
- Increase in Revenue & Cooperative Weather
- Continue to work diligently to improve the financial situation and sustainability of Spirit Mountain
- Recreation hub for Duluth



THANK YOU!